

CS FOR HOUSE BILL NO. 95(JUD)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE HOUSE JUDICIARY COMMITTEE

Offered: 4/9/97

Referred: Finance

Sponsor(s): REPRESENTATIVES GREEN, Bunde, Rokeberg, Cowdery

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to motor vehicle registration, licensing, and insurance; and
2 providing for an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 21.89 is amended by adding a new section to read:

5 **Sec. 21.89.022. Reporting of motor vehicle insurance.** (a) An insurer that
6 issues or cancels an automobile liability insurance policy in this state shall, before the
7 seventh day of the following calendar month, provide to the Department of
8 Administration a record of the issuance or cancellation. This subsection does not
9 preclude more frequent reporting by an insurer. In this subsection,

10 (1) "automobile" does not include a commercial motor vehicle;

11 (2) "commercial motor vehicle" has the meaning given in

12 AS 19.10.399.

13 (b) The record required under (a) of this section must include the

14 (1) name, date of birth, and driver license number of each insured;

1 (2) make, year, and vehicle identification number of each insured
2 vehicle; and

3 (3) policy number, effective date, and expiration date of each insurance
4 policy.

5 (c) An insurer shall provide the information required under this section in the
6 form required by the Department of Administration.

7 (d) In addition to any other penalty provided under this title, the director may,
8 after the director has provided the insurer with the opportunity for a hearing as
9 provided under AS 21.06.170 - 21.06.230, suspend or revoke the license of an insurer
10 who fails to comply with this section.

11 * **Sec. 2.** AS 28.10.021(a) is amended to read:

12 (a) The owner of a vehicle subject to registration shall apply for registration
13 under this chapter by properly completing the form prescribed by the commissioner
14 under AS 28.05.041. Before the issuance of a certificate of registration by the
15 department, the owner shall

16 (1) pay all registration fees and taxes required under this chapter and
17 federal heavy vehicle use taxes required under 26 U.S.C. 4481 (Internal Revenue Code
18 of 1954);

19 (2) unless the owner qualifies as a self-insurer under AS 28.20.400,
20 [OR] is exempted from obtaining liability insurance under AS 28.22.011, **or the**
21 **department electronically verifies the existence of a motor vehicle liability policy**
22 **that complies with AS 28.22.011, provide evidence** [CERTIFY] to the department
23 **of** the existence of a motor vehicle liability policy that complies with AS 28.22.011
24 for the vehicle being registered; in this paragraph, "**evidence** [CERTIFY]" means **a**
25 **copy of the owner's valid insurance policy, binder notice, or renewal notice; a**
26 **card issued by an insurer as evidence of insurance required by AS 28.22.011; or**
27 **a letter from an insurance agent or insurer verifying insurance required by this**
28 **chapter** [TO INDICATE BY CHECK-OFF ON THE VEHICLE REGISTRATION
29 FORM PRESCRIBED BY THE DEPARTMENT THE EXISTENCE OF A POLICY
30 OF INSURANCE, IF A POLICY IS REQUIRED AT THAT TIME, AND THE
31 INTENTION TO CONTINUE THE POLICY OR OBTAIN A POLICY

1 AS REQUIRED BY THIS SUBSECTION]; and

2 (3) comply with other applicable statutes and regulations.

3 * **Sec. 3.** AS 28.10.021(a) is amended to read:

4 (a) The owner of a vehicle subject to registration shall apply for registration
5 under this chapter by properly completing the form prescribed by the commissioner
6 under AS 28.05.041. Before the issuance of a certificate of registration by the
7 department, the owner shall

8 (1) pay all registration fees and taxes required under this chapter and
9 federal heavy vehicle use taxes required under 26 U.S.C. 4481 (Internal Revenue Code
10 of 1954);

11 (2) unless the owner qualifies as a self-insurer under AS 28.20.400 **or**
12 [,] is exempted from obtaining liability insurance under AS 28.22.011, **certify** [OR
13 THE DEPARTMENT ELECTRONICALLY VERIFIES THE EXISTENCE OF A
14 MOTOR VEHICLE LIABILITY POLICY THAT COMPLIES WITH AS 28.22.011,
15 PROVIDE EVIDENCE] to the department [OF] the existence of a motor vehicle
16 liability policy that complies with AS 28.22.011 for the vehicle being registered; in this
17 paragraph, "**certify** [EVIDENCE]" means **to indicate by check-off on the vehicle**
18 **registration form prescribed by the department the existence of a policy of**
19 **insurance, if a policy is required at that time, and the intention to continue the**
20 **policy or obtain a policy as required by this subsection** [A COPY OF THE
21 OWNER'S VALID INSURANCE POLICY, BINDER NOTICE, OR RENEWAL
22 NOTICE; A CARD ISSUED BY AN INSURER AS EVIDENCE OF INSURANCE
23 REQUIRED BY AS 28.22.011; OR A LETTER FROM AN INSURANCE AGENT
24 OR INSURER VERIFYING INSURANCE REQUIRED BY THIS CHAPTER]; and

25 (3) comply with other applicable statutes and regulations.

26 * **Sec. 4.** AS 28.10.041(a)(11) is amended to read:

27 (11) the applicant fails to **provide proof** [CERTIFY] to the department
28 **of** the existence of a motor vehicle liability policy that complies with AS 28.22.101
29 for the vehicle being registered unless the owner of the vehicle qualifies as a self-
30 insurer under AS 28.20.400, [OR] is exempted from obtaining liability insurance under
31 AS 28.22.011, **or the department electronically verifies the existence of a motor**

1 **vehicle policy that complies with AS 28.22.011.**

2 * **Sec. 5.** AS 28.10.041(a)(11) is amended to read:

3 (11) the applicant fails to **certify** [PROVIDE PROOF] to the
 4 department [OF] the existence of a motor vehicle liability policy that complies with
 5 AS 28.22.101 for the vehicle being registered unless the owner of the vehicle qualifies
 6 as a self-insurer under AS 28.20.400 **or** [,] is exempted from obtaining liability
 7 insurance under AS 28.22.011 [, OR THE DEPARTMENT ELECTRONICALLY
 8 VERIFIES THE EXISTENCE OF A MOTOR VEHICLE POLICY THAT COMPLIES
 9 WITH AS 28.22.011].

10 * **Sec. 6.** AS 28.10.421(a) is amended to read:

11 (a) Unless otherwise provided by law,

12 (1) the fees prescribed in this section shall be paid to the department at
 13 the times provided under AS 28.10.108 and 28.10.111; [AND]

14 (2) an additional fee of \$10 shall be added to the registration fee set out
 15 in this section for registration not conducted by mail or not conducted at an emissions
 16 inspection station or contract office offering vehicle registration services; the
 17 department may waive this additional fee for a good cause based on criteria established
 18 in regulations adopted by the department; **and**

19 **(3) at the time a person applies for registration or renewal of**
 20 **registration of a motor vehicle under this chapter, the applicant shall pay an**
 21 **insured motorist identification fee of \$2 for each motor vehicle being registered;**
 22 **a motor vehicle exempt from registration under another provision of this title is**
 23 **also exempt from the fee required under this paragraph.**

24 * **Sec. 7.** AS 28.10.421(a) is amended to read:

25 (a) Unless otherwise provided by law,

26 (1) the fees prescribed in this section shall be paid to the department at
 27 the times provided under AS 28.10.108 and 28.10.111; **and**

28 (2) an additional fee of \$10 shall be added to the registration fee set out
 29 in this section for registration not conducted by mail or not conducted at an emissions
 30 inspection station or contract office offering vehicle registration services; the
 31 department may waive this additional fee for a good cause based on criteria established

1 in regulations adopted by the department [; AND

2 (3) AT THE TIME A PERSON APPLIES FOR REGISTRATION OR
3 RENEWAL OF REGISTRATION OF A MOTOR VEHICLE UNDER THIS
4 CHAPTER, THE APPLICANT SHALL PAY AN INSURED MOTORIST
5 IDENTIFICATION FEE OF \$2 FOR EACH MOTOR VEHICLE BEING
6 REGISTERED; A MOTOR VEHICLE EXEMPT FROM REGISTRATION UNDER
7 ANOTHER PROVISION OF THIS TITLE IS ALSO EXEMPT FROM THE FEE
8 REQUIRED UNDER THIS PARAGRAPH].

9 * **Sec. 8.** AS 28.15.211(e) is amended to read:

10 (e) At the end of a period of limitation, suspension, or revocation under this
11 chapter, the department may not issue a driver's license or a duplicate driver's license
12 to the licensee until the licensee has complied with AS 28.20 relating to proof of
13 financial responsibility **or the department electronically verifies the existence of**
14 **motor vehicle liability insurance required under AS 28.22.011.**

15 * **Sec. 9.** AS 28.15.211(e) is amended to read:

16 (e) At the end of a period of limitation, suspension, or revocation under this
17 chapter, the department may not issue a driver's license or a duplicate driver's license
18 to the licensee until the licensee has complied with AS 28.20 relating to proof of
19 financial responsibility [OR THE DEPARTMENT ELECTRONICALLY VERIFIES
20 THE EXISTENCE OF MOTOR VEHICLE LIABILITY INSURANCE REQUIRED
21 UNDER AS 28.22.011].

22 * **Sec. 10.** AS 28.15.255(a) is amended to read:

23 (a) The department may not reinstate a driver's license that has been revoked
24 or suspended under AS 28.15.221 - 28.15.261 until the person whose license has been
25 revoked or suspended provides proof of financial responsibility for the future **or the**
26 **department electronically verifies the existence of motor vehicle liability insurance**
27 **required by AS 28.22.011.**

28 * **Sec. 11.** AS 28.15.255(a) is amended to read:

29 (a) The department may not reinstate a driver's license that has been revoked
30 or suspended under AS 28.15.221 - 28.15.261 until the person whose license has been
31 revoked or suspended provides proof of financial responsibility for the future [OR THE

1 DEPARTMENT ELECTRONICALLY VERIFIES THE EXISTENCE OF MOTOR
2 VEHICLE LIABILITY INSURANCE REQUIRED BY AS 28.22.011].

3 * **Sec. 12.** AS 28.20 is amended by adding a new section to read:

4 **Sec. 28.20.395. Proof by electronic verification.** Proof of financial
5 responsibility may be made by the department by electronic verification.

6 * **Sec. 13.** AS 28.22.021 is amended to read:

7 **Sec. 28.22.021. Requirement of proof of motor vehicle liability insurance.**

8 Except as provided under (b) of this section, the [THE] owner or operator of a
9 motor vehicle required to have motor vehicle liability insurance that complies with this
10 chapter or a certificate of self-insurance that complies with AS 28.20.400 [,] shall
11 show proof of this insurance when that person is involved in **a moving violation or**
12 an accident that results in bodily injury to or death of a person, or damage to the
13 property of a person exceeding \$501.

14 * **Sec. 14.** AS 28.22.021 is amended to read:

15 **Sec. 28.22.021. Requirement of proof of motor vehicle liability insurance.**

16 The [EXCEPT AS PROVIDED UNDER (b) OF THIS SECTION, THE] owner or
17 operator of a motor vehicle required to have motor vehicle liability insurance that
18 complies with this chapter or a certificate of self-insurance that complies with
19 AS 28.20.400, shall show proof of this insurance when that person is involved in an
20 accident that results in bodily injury to or death of a person, or damage to the property
21 of a person exceeding \$501.

22 * **Sec. 15.** AS 28.22.021 is amended by adding a new subsection to read:

23 (b) A peace officer who responds to an accident or stops a motor vehicle for
24 a moving violation may electronically verify that the person who is an owner or
25 operator of the motor vehicle involved in the accident or moving violation is insured
26 as required by this chapter. If the peace officer electronically verifies that the person
27 is insured as required by this chapter or the person displays a certificate of self-
28 insurance that complies with AS 28.20.400, the person is not required to show proof
29 of insurance as required under (a) of this section. It is an affirmative defense to a
30 citation or charge for a violation of this section that the person being cited or charged
31 was insured as required by this chapter at the time the person was cited or charged.

1 * **Sec. 16.** AS 28.35 is amended by adding new sections to read:

2 **Article 7. Insured Motorist Identification Program.**

3 **Sec. 28.35.300. Insured motorist identification program.** (a) There is
4 created in the department the insured motorist identification program. The program
5 is created for the purpose of verifying compliance with the mandatory motor vehicle
6 insurance provisions of AS 28.22. The department shall, subject to appropriation,
7 contract with a third-party agent to establish an insured motorist data base and to track
8 compliance with the mandatory insurance provisions of AS 28.22. The contract
9 required under this subsection must include a provision requiring the third-party agent
10 to pay for an audit of the program established under this section if requested by the
11 department.

12 (b) The data base required under (a) of this section must be developed and
13 maintained as required by the department and must be designed to allow efficient
14 access by state and municipal law enforcement agencies. The third-party agent
15 selected by the department shall, at least monthly,

16 (1) update the data base; and

17 (2) compare all current motor vehicle registrations against the data
18 base.

19 **Sec. 28.35.310. Notice of noncompliance.** If the department determines that
20 a motor vehicle is not insured as required by AS 28.22 for a period of two consecutive
21 months, the department may require the third-party agent to provide notice to the
22 owner of the motor vehicle that, within 21 days, the owner must provide proof of
23 insurance as required under AS 28.22 or proof of exemption from the requirements of
24 AS 28.22. If the owner fails to provide proof as required under this section, the
25 department may require the third-party agent to provide further notices of
26 noncompliance.

27 **Sec. 28.35.320. Nondisclosure of data base information.** Information in a
28 data base established under AS 28.35.300 may not be disclosed by the third-party
29 agent or the department except as permitted under AS 28.10.505. Each name disclosed
30 in violation of this section is a separate offense.

31 * **Sec. 17.** AS 21.89.022; AS 28.20.395; AS 28.22.021(b); AS 28.35.300, 28.35.310, and

1 28.35.320 are repealed.

2 * **Sec. 18.** Sections 3, 5, 7, 9, 11, 14, and 17 of this Act take effect July 1, 2002.

3 * **Sec. 19.** Sections 1, 2, 4, 6, 8, 10, 12, 13, 15, and 16 of this Act take effect July 1, 1997.